March, 1987 granted stay in the matter pertaining to M/s. ITC Limited Vs. Inspecting Assistant Commissioner, Range-III, Calcutta; and

(b) if so, what steps have been taken by Govermnent to get the stay vacated and whether any bank guarantee to secure Government revenue has been demanded

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) Yes, Sir.

(b) The interim order was subsequently modified and vide order dated 11-4-1988, Calcutta High Court has set aside the assessment for assessment year 1984-85 and directed the assessing officer to complete the assessment after giving the assessee company, a reasonable opportunity of being heard. The reassessment has been taken up.

**Steps to recover the outstanding amount from M|s. ITC Ltd., Calcutta**

3007. SHRI VIRENDRA VERMA:
SHRI CHIMANBHAI MEHTA:

Will the Minister of FINANCE be pleased to refer to the answer to Unstarred Question 1085 given in the Rajya Sabha on the 4th May, 1989 and state:

(a) what is the amount involved in each of the notices of demand/show cause notices already issued;

(b) what steps have been taken/proposed to be taken by Government to recover the outstanding amounts from M/s. ITC Ltd.; and

(c) in case the recovery is not being effected, whether Government considered the question of taking bank guarantee against the outstanding demands from M/s. ITC Ltd. and if so, what steps have been taken by Government in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) The amounts involved in each of the show cause notices referred to in the reply to Rajya Sabha Unstarred Question No. 1085 dated 4.5.89, are as under:—

(Rs. in crores)

| Sr. No. | Date of Show Cause Notice | Amount involved |
|---|---|---|
| 1. | 25-9-87 | 143.22 |
| 2. | 7-10-87 | 23.20 |
| 3. | 16-12-88 | 7.38 |
| 4. | 21-10-87 | 41.51 |
| 5. | 27-1-88 | 26.43 |
| | TOTAL : | 241.74 |

(b) and (c) All the above show cause notices are pending adjudication before the Director-General of Inspection (Customs & Central Excise), New Delhi. The question of recovering any amounts out of the above show cause notices can arise only after these show cause notices are adjudicated and the amounts confirmed. There is no provision in Central Excise Law for taking bank guarantees for amounts alleged in show cause notices pending adjudication.